GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:377
ANSWERED ON:18.08.2000
ANTI-DUMPING DUTY ON SYNTHETIC FIBRE FABRIC
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Association of Synthetic Fibre Industry, JCT, IRSF and JK Synthetics have asked the Government to impose anti-dumping duty on the increasing import of cheap synthetic fibre/fabric;

(b) if so, whether the Ministry of Finance has rejected the demand;

(c) if so, the reasons therefor;

(d) whether the Government are aware that domestic synthetic industries are on the verge of closure; and

(e) if so, the steps taken by the Government to save this industry?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

a) to e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 377 FOR ANSWER ON 2000, REGARDING ANTI-DUMPING DUTY ON SYNTHETIC FIBRE / FABRIC.

(a) The details of petitions received requesting imposition of anti-dumping duty on imports of Acrylic Fibre, Nylon Tyre Cord Fabric and Polyester Staple Fibre are as follows :

Product	Name of Petitioner	Country
1.Acrylic Fibre	Indian Acrylics ltd. and Pashupati Acrylon Ltd.	USA, Thailand & Korea RP
2.Acrylic Fibre	Indian Acrylics ltd.	Italy, Spain, Portugal & Japan
3.Acrylic Fibre	Indian Acrylics Ltd.	Mexico
4.Acrylic Fibre	Forum of Acrylic Manufacturers` Assn.	Turkey
5.Acrylic Fibre	Forum of Acrylic Manufacturers` Assn.	Taiwan
6.Nylon Tyre Cord Fabric	Association of Synthetic Fibre & Taiwan	Indonesia, Korea RP, Thailand
7Polyester Staple Fibre	Indo-Rama Synthetics Ltd. (IRSL) supported by Association of Synthetic Fibre Industry (ASFI) (with IRSL, M/s. JCT, M/s. J.K. Synthetics, M/s. Modern Petrofills and M/s. RIL as its members)	Indonesia, Korea RP, Thailand & Taiwan

After due investigations anti-dumping duty was recommended by the Directorate General of Anti-Dumping & Allied Duties in all the

cases.

(b) & (c) Anti-dumping duty was imposed in all the cases involving import of Acrylic Fibre and in the case of Nylon Tyre Cord Fabric by Ministry of Finance. However, no duty was imposed on Polyester Staple Fibre as the imports declined substantially while the domestic production, capacity utilization and producer margins improved significantly.

(d) & (e) The figures of production and consumption for the domestic synthetic fibre industry are given below :

(Figures in 000` MT)

	1996-97	1997-98	1998-99	1999-2000
Production	980	1248	1379	1478
Consumption	1034	1260	1408	1505

The data indicates that the domestic synthetic fibre industry is growing steadily. However, in the wake of reduction in import tariffs, the domestic industry is increasingly exposed to competition from overseas which may be resulting in difficulties being faced by units which do not enjoy economies of scale and / or have not modernised.